

shall be credited collections of assessments for common expenses. The residence owners shall not be entitled to receive any prorata share of the assessment funds upon the sale or transfer of the residence.

- C. **Assessments for Recurring Expense.** Assessments for recurring expense for each expense account shall include the estimated expenses chargeable to the account. Assessment for recurring expenses shall be made for the remainder of the calendar year in which this Declaration is filed as soon as practicable after this Declaration is filed, and for each calendar year thereafter annually in advance. Such assessments shall be due in equal consecutive monthly payments on the first day of each month of the year for which the assessments are made. If an annual assessment is not made as required, a payment in the amount required by the last prior assessments shall be due upon each assessment payment date until changed by a new assessment.
- D. **Assessments for Emergencies.** Assessments for expenses of emergencies for each expense account which cannot be paid from the assessments for recurring expenses shall be made only after notice of the need therefor to the residence owners. Ten days after such notice, and failing disapproval in writing by owners of a majority of the total vote of the Association, the assessment shall become effective, and it shall be due after thirty days notice thereof in such manner as the Manager may require.
- E. **Assessment For Maintenance, Repairs & Replacement Reserve.** An adequate reserve fund for the periodic maintenance, repair and replacement of the common elements must be established and must be funded by regular monthly payments rather than by special assessments. Upon the purchase of each unit from the Declarant, each unit owner shall deposit with the managing agent of the property, or as may be otherwise directed by the Board, an amount equal to double the monthly assessment relating to such owner's unit. Such amount shall be held, together with the amounts similarly deposited by the other unit owners, as a contingency reserve. To the extent that the said reserve fund may be depleted, or in the judgment of the board may be inadequate, the board may increase the same by an assessment to the members in the proportion of their ownership